GOVERNMENT OF INDIA
OVERSEAS INDIAN AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:4329
ANSWERED ON:23.04.2008
INVESTMENT BY NRIs
Bhakta Shri Manoranjan;Jogi Shri Ajit

Will the Minister of OVERSEAS INDIAN AFFAIRS be pleased to state:

(a) the State-wise details of the investment made by the Non-Resident Indians during 2007-08 as against the anticipated investment;

(b) whether any change has been suggested/made in the existing institutional arrangements for facilitating the NRIs for more investments; and

(c) if so, the details thereof?

Answer

MINISTER OF OVERSEAS INDIAN AFFAIRS(SHRI VAYALAR RAVI)

(a): The total FDI inflow (including NRI investment) during 2007-2008 (upto Feb,2008) is US $ 20.1 billion (Annexure-I indicating Regional office wise inflows is enclosed). However segregated data on NRI investments is not centrally maintained.

(b) & (c): Government has put in place a liberal and transparent policy for FDI, including investments from NRIs, wherein most of the sectors are open to FDI under the automatic route. In addition, the policy allows special dispensation for NRI investments in the real estate and housing and in domestic airlines sectors.

In the real estate & housing sector, as per Press Note 4 (2006), investment by NRIs is exempt from the conditions of minimum capitalization, minimum area development etc. specified in Press Note 2 (2005) . As per Press Note 4(2008) (copy available on DIPP website) NRI investment upto 100% is permitted on the automatic route for the following activities:

(i) Scheduled Air Transport Services/Domestic Scheduled Passenger Airline

(ii) Non-Scheduled Air Transport Service/Non-Scheduled airlines, Chartered airlines and Cargo airlines

(iii) Ground Handling Services subject to sectoral regulations and security clearances.